

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of a Tariff Filing By  
Northwestern Bell Telephone Company to  
Provide Optional Measured Service in its  
Marshall and St. Charles Exchanges

ISSUE DATE: March 28, 1988

DOCKET NO. P-421/M-88-128

ORDER CONDITIONALLY APPROVING  
OPTIONAL MEASURED SERVICE  
EXPANSION

PROCEDURAL HISTORY

On February 24, 1988 Northwestern Bell Telephone Company (NWB or the Company) filed a tariff with the Minnesota Public Utilities Commission (the Commission) which proposed to expand the coverage of its Optional Measured Service (OMS) tariff to its Marshall and St. Charles exchanges.

The Minnesota Department of Public Service (DPS) completed its Report of Investigation and Recommendation on March 9, 1988. In that Report, the DPS recommended that the Commission accept the tariff filing and require the Company to include data from these exchanges in the report required by the Commission in its investigation of NWB's OMS trial offerings, Docket No. P-421/CI-88-152

FINDINGS AND CONCLUSIONS

OMS is local exchange service with separate charges for access to an exchange line and usage on that line. The rates for usage vary based on the number of calls placed, the duration, distance and time of day of each call.

The Company established a 30-month trial of OMS to comply with the Commission's Order in In the Matter of the Petition of Northwestern Bell Telephone Company, Minneapolis, Minnesota, for Authority to Change its Schedule of Telephone Rates for Customers Within the State of Minnesota, Docket No. P-421/GR-80-911 (December 29, 1981). The trial originally incorporated the exchanges of Brainerd, Rochester and all electronic central offices in the Minneapolis-St. Paul metropolitan area. The Commission approved expansion of the OMS trial to an additional fifteen metro and

twelve outstate exchanges in separate filings.

The Commission finds that the proposed tariff will expand the trial to two additional outstate offices. The Company projects that approximately 1,600 residential and 30 business customers will subscribe to OMS in Marshall and St. Charles. The Company also estimates that it will lose approximately \$55,400 during the first year, assuming that customers switching to OMS currently subscribe to one-party flat rate service.

Because the Commission is concerned about the impact of OMS on telephone services and rates, it has initiated a summary investigation of NWB's provision of OMS. In the Matter of an Investigation into Northwestern Bell Telephone Company's Optional Measured Service Trial Offerings, Docket No. P-421/CI-88-152.

The Commission finds that OMS may provide more economical service to customers. The Commission further finds that it is reasonable to approve the requested expansion of the OMS trial pending the outcome of its investigation. The investigation will include information from this expansion. Finally, the Commission will order that the terms and conditions that were applied to earlier OMS tariff offerings be applied here. The Commission concludes that it will approve the Company's request.

### ORDER

1. The Company's request to expand the coverage of its OMS tariff to its Marshall and St. Charles exchanges is approved subject to the decisions made in NWB, P-421/CI-88-152.
2. The Company must provide a written notice to each of its customers in the affected exchanges. The notice shall explain: 1) that OMS is available; 2) how OMS works and that it may benefit the customer; 3) that there is no charge for conversion to or from OMS; and 4) that both the access and usage portions of the current OMS rates may change as a result of the pending investigation of OMS or the Company's next general rate case.
3. This approval is contingent upon the Company filing revised tariff pages within 10 days of the issue date of this Order. The Company shall include the approved changes, the proper revision number of the page, the docket number as stated above, the date the proposal was submitted, and the effective date which is the issue date of this Order.
4. The Company shall include, in its report on OMS required by Docket No. P-421/CI-88-152, information on the exchanges approved herein for inclusion in the OMS trial.
5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen  
Executive Secretary

(S E A L)